

**DETERMINATION AND FINDINGS
FOR
To Extend a Competitively Awarded Contract
Beyond Five Years**

Agency:	D.C. Fire and Emergency Medical Services Department
Requisition No:	XXXXXXXXXX
Caption:	Ambulance Billing and Data Collection Services
Contractor:	Advanced Data Processing, Inc. (ADPI)

1. **Authority:**

DC Code Official §2-303.05(a)(1) and Title 27 DCMR §§1702.2 and 2005.6

2. **Minimum Need:**

The Fire and Emergency Medical Services Department is mandated by Title 29 DCMR §§525 to bill and collect fees from patients transported to hospitals by Department ambulances. The Department requires a contractor to provide such services. Services provided by the contractor shall include the following:

- a. Billing of healthcare and other insurance providers for patient ambulance charges.
- b. Billing of patients for ambulance charges.
- c. Mailing of notices and other documents to support ambulance billing.
- d. Representation of Department to insurance companies, Federal agencies, District agencies and other entities to support ambulance billing.
- e. Provision and support of patient care reporting software to collect data.
- f. Provision, repair and support of computer hardware to collect data.
- g. Reporting services to account for activity, provide patient clinical quality control information and monitor vendor performance.
- h. Collection of payments from insurance companies, patients and other third parties.
- i. Financial accounting services to identify payments, assure compliance with federal insurance regulations and monitor vendor performance.

The period of performance for the extension will be through January 31, 2013.

3. **Fair and Reasonable Price:**

\$876,840

4. **Facts That Justify the Extension:**

The Fire and Emergency Medical Services Department entered into a contract with Advanced Data Processing, Inc. (ADPI) on May 3, 2006, to provide ambulance billing and patient data collection services. This contract expired on May 2, 2011. Extension requests were requested and approved, but will expire on July 31, 2012. The Department is mandated by Title 29 DCMR §§525 to bill and collect fees from patients transported to hospitals by Department ambulances. The Department is unable to independently provide such services without using a contractor.

The Department, in cooperation with OCP, is writing a revised technical specification for the provision of a new contract reflecting recent changes to regulatory, technological and administrative processes impacting billing & collection services. The anticipated award date for the new contract is January 31, 2013.

The specification changes include healthcare insurance regulations implemented by the Federal Government, hardship and payment responsibility regulations implemented by District Government, information technology and network improvements implemented by the Office of the Chief Technology Officer (OCTO) and new District Department of Health Care Finance (DHCF) Medicaid billing regulations, involving how the Department processes Medicaid claims. Additionally, the Department needs to revise the electronic patient care reporting (ePCR) software requirements included in the specification to meet new product requirements and consider alternative ePCR applications better suiting the Department's combined incident record management requirements.

The contractor, ADPI, receives payment for the described services as a percentage of ambulance charges collected after payment is deposited to a District Government account. The contractor is currently paid for such services at a rate of 7.75% of payments collected. As such, the Department does not pre-pay for the services described and such payment is not a budgeted cost. To date in FY 2012 (through June 30, 2012), contractor payments totaled \$1,252,633. This represents an average monthly payment of \$139,181.

The extension request covers the time needed for the District to develop, solicit, and award more comprehensive contract for the ambulance billing and data collection services. It is imperative that services continue while the solicitation is advertised because without the extension, the District would be unable to bill and collect ambulance fees, resulting in significant revenue loss.

5. **Certification by Agency Head:**

I certify that the above findings are correct and complete.

Date

Kenneth B. Ellerbe
Fire and EMS Chief

6. **Certification by Contracting Officer:**

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority.. I recommend that the Assistant Director for Procurement approve the extension of this contract.

Date

XXXXXXXXXX
Contracting Officer

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive bidding process under Section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. law 6-85; D.C. Official Code § 2-303.05 (a)(1)). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

James D. Staton, Jr.
Acting Chief Procurement Officer
Office of Contracting and Procurement